



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

JUN 14 2016

John Ruhs
Bureau of Land Management
1340 Financial Boulevard
Reno, Nevada 89520

Subject: Final Environmental Impact Statement (EIS) for the Coeur Rochester Mine Plan of Operations Amendment 10 and Closure Plan, Pershing County, Nevada [CEQ #20160105]

Dear Mr. Ruhs:

The U.S. Environmental Protection Agency (EPA) has reviewed the Coeur Rochester Mine Final Environmental Impact Statement (EIS). Our review and comments are provided pursuant to the National Environmental Policy Act (NEPA), the Council on Environmental Quality's (CEQ) NEPA Implementation Regulations at 40 CFR 1500 - 1508, and our review authority under Section 309 of the Clean Air Act.

Under the proposed action, Coeur Rochester Incorporated (CRI) would expand the Coeur Rochester Mine, located on BLM lands near the town of Lovelock, Nevada. On October 13, 2015, EPA provided BLM with comments in response to the Draft EIS for this project. EPA found that the proposed and existing heap leach and waste rock facilities would have the potential to release mine-influenced waters exceeding Nevada Profile 1 water quality reference values for numerous constituents, and shallow alluvial aquifers underlying the project area would provide a possible pathway for such contamination to reach springs near the project area. Although the proposed zero-discharge project design is expected to prevent such degradation of groundwater and surface water resources, inadequate information was provided in the Draft EIS to demonstrate that this design would be maintained post-closure. Specifically, the Draft EIS did not include adequate information on the activities that would be required for the closure and post-closure maintenance of the heap leach and waste rock facilities, nor how funds would be secured to ensure that they are available as long as they are needed to implement critical post-closure obligations, such as evaporation cell excavation and replacement. Because such information is critical to a comprehensive consideration of the project's potential environmental impacts, EPA rated the Draft EIS as "3 – Inadequate." In addition, we noted that the Draft EIS provided insufficient information related to geochemical test results for waste rock and heap leach material, and the climate change analysis was not consistent with draft guidance from the Council on Environmental Quality (CEQ).

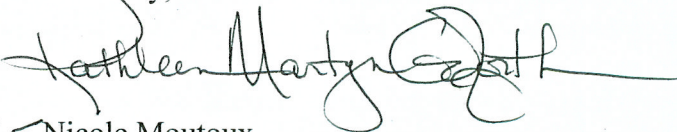
In response to EPA's comments, the Final EIS provides additional details regarding heap leach facility closure design, post-closure site maintenance and management needs, and geochemical characterization methods and results. These details provide useful clarifications regarding the proposed project. One particularly notable new piece of information is that post-closure fluid management is no longer anticipated to be an in-perpetuity obligation; instead, the need for evaporation cell maintenance is stated to be "finite and on the order of decades." While this could be significant, no citations or specific modeling results are provided to support this conclusion. In addition, no information is provided

regarding the cost and funding mechanism for post-closure management of any duration. The Final EIS, therefore, does not demonstrate that the costs of post-closure monitoring and mitigation for the expanded Coeur Rochester Mine Project will be covered for as long as needed to avoid significant environmental impacts to groundwater and surface water resources. For this reason, we find that the Final EIS is unresponsive to our comments on the core matter for which we rated the Draft EIS "3 – Inadequate." EPA continues to recommend that information regarding the costs and financing of post-closure management and mitigation be included in BLM's NEPA documents for mining projects because such data are critical to enable decision-makers and the public to assess the likelihood that measures necessary to prevent potentially significant environmental impacts can and will be implemented.

In response to EPA's comments and recommendations regarding climate change, the FEIS states that the BLM determined that the climate change discussion is sufficient. The recommendations provided by EPA in response to the DEIS climate change analysis were intended to assist BLM in fully considering and comparing the proposed action, reasonable alternatives, and mitigation options with respect to their greenhouse gas emissions and vulnerability to the effects of climate change. For that purpose, a more robust climate change analysis, providing careful consideration to the potential effects of climate change on the project and fluid management goals, would have been relevant to the BLM's decision. In addition, we continue to recommend against comparing greenhouse gas emissions from a proposed action to aggregated U.S. emissions. Comparison of project-level emissions to aggregated total emissions for geographic areas obscures, rather than illuminates, consideration of greenhouse gas emissions under NEPA. Instead, we recommend comparing the direct and indirect greenhouse gas emissions that would result from the proposal, alternatives, and mitigation options among themselves as a more appropriate way to consider a proposed project's climate change impacts under NEPA.

We appreciate the opportunity to review this Final EIS. If you have any questions, please call me at (415) 972-3012 or have your staff contact Carter Jessop, our lead NEPA reviewer for this project, at (415) 972-3815.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicole Moutoux", with a stylized flourish at the end.

For Nicole Moutoux
Associate Director, Strategic Planning Branch
Enforcement Division